



**Georgia Department of Revenue
Informational Bulletin SUT 2013-02-08
Exemption Certificates for Agriculture**

- 1) **The purpose of this Informational Bulletin is to notify dealers and purchasers that Department of Revenue Agricultural Certificate of Exemption (Form ST-A1) is not valid for purchases occurring on or after January 1, 2013.**
- 2) **Effective Date:** January 1, 2013.
- 3) **Supersedes:** All previous documents and any oral directives in conflict herewith.
- 4) **Authority:** O.C.G.A. § 48-8-3.3.
- 5) **Scope:** An Informational Bulletin is intended to provide guidance to the public and to Department personnel. It is a written statement issued to apply principles of law to a specific set of facts or a general category of taxpayers. An Informational Bulletin does not have the force or effect of law, and is not binding on the public. It is, however, the Department's position and is binding on agency personnel until superseded or modified by a change in statute, regulation, court decision, or advisory opinion.
- 6) **Issues:**
 - A) **Will Form ST-A1 be valid after 2012?**
 - B) **In 2013, how do agricultural producers make exempt purchases?**
 - C) **Where can purchasers obtain the new agriculture sales tax exemption certificate?**
 - D) **What are dealers' responsibilities when making sales to agricultural producers?**
 - E) **How can dealers and purchasers learn more about the agriculture sales tax exemptions?**
- 7) **Discussion of Issues:**
 - A) No. Form ST-A1 will no longer be valid after 2012. In 2012 the Georgia General Assembly enacted O.C.G.A. § 48-8-3.3, granting authority to the Georgia Department of Agriculture to issue agricultural sales tax exemption certificates to qualified agriculture producers. Effective January 1, 2013 the Department of Agriculture's GATE (Georgia Agriculture Tax Exemption) Certificate will replace Form ST-A1.
 - B) Beginning in 2013, qualified agriculture producers must present sellers with a GATE Certificate in order to make tax exempt purchases of machinery, equipment, inputs, and energy. In addition, qualified agriculture producers making exempt purchases of metered energy under O.C.G.A. § 48-8-3.3 must provide their energy suppliers with the account number, services address, and meter number associated with each meter qualifying for exemption. Agriculture producers may use the GATE Addendum to provide this information. The GATE Addendum is available at https://etax.dor.ga.gov/salestax/st3forms/st3_indx.aspx.
 - C) Qualified agriculture producers may obtain the GATE Certificate by applying to the Department of Agriculture at <http://www.agr.georgia.gov>.
 - D) Dealers must obtain a copy of the GATE Certificate each calendar year from qualified agriculture producers making exempt purchases under O.C.G.A. § 48-8-3.3. Use of the GATE Certificate is restricted to purchases of agricultural machinery and equipment, specifically-listed agricultural production inputs,

Source: Georgia Department of Revenue

and certain energy used in agriculture. A dealer who knowingly fails to collect the tax on a taxable sale is liable for the tax.

- E) For more information about the agricultural exemptions, please see the **GATE Guide** attached below and visit https://etax.dor.ga.gov/inctax/new_regulations.aspx to view the Department's proposed Rule 560-12-2-.03 "Agriculture Exemptions." Proposed Rule 560-12-2-.03 has not been adopted by the Department and is posted for informational purposes only.

FOR MORE INFORMATION

For more information on this subject, contact the Taxpayer Services Division at 1-877-423-6711 from 8:00 a.m. to 4:30 p.m. EST, Monday through Friday, excluding holidays.

Taxpayers with hearing or speech impairments may call our TDD number at 404-417-4302.

For forms and other information, visit our website (www.dor.ga.gov).

GATE Guide

Common Qualifying Purchases*

- Sellers must secure a GATE certificate from the buyer before making an exempt sale.
- GATE certificates are not transferable to another party – including contractors.

Machinery and Equipment, when used in a qualifying agricultural operation

Tractors and tractor attachments

Machinery and equipment used to clean and maintain poultry houses and the surrounding premises

Hand tools and chainsaws

Employee safety equipment – even if typically considered a consumable supply

Off-road equipment and related attachments

All non-motorized trailers used to transport agricultural products, including livestock trailers and trailers used on public roads to transport finished products

ATVs and UTVs

Repair and Replacement Parts

Repair and replacement parts for tractors and other farm machinery and equipment, including tires, batteries, spark plugs, motor oils, oil filters, greases, lubes, and hydraulic fluids.

Agricultural Inputs, when used in a qualifying agricultural operation

Seed, seedlings, plants grown from seed, cuttings or liners

Fertilizers, insecticides, and fungicides

Livestock and poultry feeds, drugs, and instruments to administer the drugs

Fencing materials

Animal feed

Cattle, hogs, sheep, equine, poultry, or bees for breeding purposes

Ice and other refrigerants used to process for market or to chill agricultural products in storage facilities or delivery trucks

Materials, containers, labels, sacks and bags to be used to pack agricultural products

Energy used in a qualifying agricultural operation **

Dyed diesel used to power off road machinery and equipment

Electricity to power irrigation machinery

***This list is intended to provide general guidance only; it is not all inclusive and does not guarantee the tax treatment of any particular transaction.**

**** To qualify for the GATE exemption, energy used in agriculture must be metered separately from energy used for non-agricultural purposes, unless the energy used for the non-agricultural purpose represents 10 percent or less of the total amount of energy supplied by the meter. A meter supplying energy to a personal residence DOES NOT qualify for the GATE exemption even if the meter is also supplying energy for an agricultural purpose.**

Source: Georgia Department of Revenue

GATE Guide

Common Non-Qualifying Purchases*

Examples of purchases that DO NOT qualify for the GATE exemption even when purchased for use by a GATE certificate holder for use in an agricultural operation:

Motor Vehicles

Any motorized vehicle designed for on-road use
Replacement parts for on-road motor vehicles

Real Property

Power lines and electrical wiring
Real property and fixtures to real property
Materials used by a contractor

Machinery and Equipment

Administrative machinery and equipment

Consumable Supplies

Readily disposable chemicals and detergents used for cleaning

Animals and Animal Management

Tangible personal property and services used for the feeding, breeding, or management of domestic pets (e.g. dog food)
Animals other than cattle, hogs, sheep, equine, poultry, or bees (e.g. grass carp, herding dogs)

Energy**

On-road motor fuels and aviation gasoline
Energy used to power a personal residence
Energy used for administrative activities

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